
TOO GOOD TO BE TRUE....

A Column on Consumer Issues

by Attorney General Wayne Stenehjem's
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Lost Or Stolen Credit Cards

Many people find it easy and convenient to use credit cards, automatic teller machine (ATM) cards or debit cards. Quick action on your part can help minimize the losses from unauthorized use of your ATM, debit and credit cards. The Fair Credit Billing Act (FCBA) and the Electronic Funds Transfer Act (EFTA) offer procedures for you to use if your cards are lost or stolen.

To limit your financial loss if your credit card, ATM card or debit card is lost or stolen, report the loss or theft to the card issuer as quickly as possible. Many companies have toll-free numbers and 24-hour service to deal with such emergencies. It is a good idea to follow up your phone calls with a letter. Include your account number, when you discovered your card was missing and the date you first reported the loss.

You should also call the three major credit bureaus and have them put a fraud alert on your credit report. This will help to protect you if someone is applying for new credit in your name. You may contact these credit bureaus at the following toll free numbers and addresses:

Equifax - www.equifax.com PO Box 740241, Atlanta, GA 30374-0241 *To report fraud,* call: 800-525-6285

Experian - www.experian.com PO Box 2002, Allen TX 75013 *To report fraud,* call: 888-EXPERIAN (397-3742)

Trans Union - www.transunion.com PO Box 1000, Chester, PA 19022 *To report fraud,* call: 800-680-7289

You may also wish to check your homeowner's insurance policy to see if it covers your liability for card thefts. If not, some insurance companies will allow you to change your policy to include this protection.

Your maximum liability under federal law (FCBA) for unauthorized use of your **credit card** is \$50. If you report the loss before your credit cards are used, the FCBA says the card issuer cannot hold you responsible for any unauthorized charges. If a thief uses your cards before you report them missing, the most you will owe for unauthorized charges is \$50 per card. Also, if the loss involves your credit card number, but not the card itself, you have no liability for unauthorized use.

After the loss, review your billing statements carefully. If they show any unauthorized charges, it is best to send a letter to the card issuer describing each questionable charge. Include the date your card was lost or stolen, and when you first noticed unauthorized charges, and when you reported the problem to them. Do not send this letter to the billing address, look for the address to report a lost or stolen card and use that one. It may appear on your monthly statement, the card issuer's website, or you may have to call and ask for the appropriate address.

Your liability under federal law (EFTA) for unauthorized use of your ATM or debit card depends on how quickly you report the loss. If you report an ATM or debit card missing before it is used without your permission, the EFTA says the card issuer cannot hold you responsible for any unauthorized transfers. If unauthorized use occurs before you report it, your liability under federal law varies as follows:

- \$0 – after you report the missing card
- up to \$50 – if you notify the bank within two business days after you realize the card is missing, unless you were on extended travel or in the hospital
- up to \$500 – if you fail to notify the bank within two business days after you realize the card is missing, unless you were on extended travel or in the hospital, but do notify the bank within 60 days after your bank statement is mailed to you listing the unauthorized withdrawals
- unlimited – if you fail to notify the bank within 60 days after your bank statement is mailed to you listing the unauthorized withdrawals.

The best protections against card fraud are to know where your cards are at all times and to keep them secure. For protection of ATM and debit cards that involve a Personal Identification Number (PIN), keep your PIN a secret. Don't use your address, birth date, phone or social security number as the PIN and memorize the number.

The Attorney General's Consumer Protection Division investigates allegations of fraud in the marketplace. Investigators also mediate individual complaints against businesses. If you have a consumer problem or question, call the Consumer Protection Division at 328-3404, toll-free at 1-800-472-2600, or 1-800-366-6888 (w/TTY). This article and other consumer information is located on our website at www.ag.state.nd.us.

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